

(ii) 4 percent; and

(B) in the case of a guaranteed loan, the current applicable market rate for a loan of comparable maturity; and

(2) have a term not to exceed the useful life of the assets constructed, improved, or acquired with the proceeds of the loan or extension of credit.

**(h) Use of loan proceeds to refinance loans for deployment of broadband service**

Notwithstanding any other provision of this chapter, the proceeds of any loan made or guaranteed by the Secretary under this chapter may be used by the recipient of the loan for the purpose of refinancing an outstanding obligation of the recipient on another telecommunications loan made under this chapter if the use of the proceeds for that purpose will further the construction, improvement, or acquisition of facilities and equipment for the provision of broadband service in eligible rural communities.

**(i) Reports**

Not later than 1 year after May 13, 2002, and biennially thereafter, the Administrator shall submit to Congress a report that—

(1) describes how the Administrator determines under subsection (a)(1) of this section that a service enables a subscriber to originate and receive high-quality voice, data, graphics, and video; and

(2) provides a detailed list of services that have been granted assistance under this section.

**(j) Funding**

**(1) In general**

Notwithstanding any other provision of law, of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this section—

(A) \$20,000,000 for each of fiscal years 2002 through 2005, to remain available until expended; and

(B) \$10,000,000 for each of fiscal years 2006 and 2007, to remain available until expended.

**(2) Television funds**

**(A) In general**

The Secretary shall be entitled to receive, shall accept, and shall use to carry out this section, without further appropriation any funds made available under section 1109(a)(2)(B) of title 47.

**(B) Use of television funds**

The Secretary shall use any funds received under subparagraph (A) in equal amounts for each remaining fiscal year on receipt of the funds (including the fiscal year of receipt) through fiscal year 2007.

**(3) Authorization of appropriations**

In addition to funds otherwise made available under this subsection, there are authorized to be appropriated such sums as necessary to carry out this section for each of fiscal years 2003 through 2007.

**(4) Allocation of funds**

**(A) In general**

From amounts made available for each fiscal year under this subsection, the Secretary shall—

(i) establish a national reserve for loans and loan guarantees to eligible entities in States under this section; and

(ii) allocate amounts in the reserve to each State for each fiscal year for loans and loan guarantees to eligible entities in the State.

**(B) Amount**

The amount of an allocation made to a State for a fiscal year under subparagraph (A) shall bear the same ratio to the amount of allocations made for all States for the fiscal year as the number of communities with a population of 2,500 inhabitants or less in the State bears to the number of communities with a population of 2,500 inhabitants or less in all States, as determined on the basis of the latest available census.

**(C) Unobligated amounts**

Any amounts in the reserve established for a State for a fiscal year under subparagraph (B) that are not obligated by April 1 of the fiscal year shall be available to the Secretary to make loans and loan guarantees under this section to eligible entities in any State, as determined by the Secretary.

**(k) Termination of authority**

No loan or loan guarantee may be made under this section after September 30, 2007.

(May 20, 1936, ch. 432, title VI, §601, as added Pub. L. 107-171, title VI, §6103(a), May 13, 2002, 116 Stat. 415.)

REGULATIONS

Pub. L. 107-171, title VI, §6103(b), May 13, 2002, 116 Stat. 418, provided that:

“(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act [May 13, 2002], the Secretary of Agriculture shall promulgate such regulations as are necessary to implement the amendment made by subsection (a) [enacting this section].

“(2) PROCEDURE.—The promulgation of the regulations shall be made without regard to—

“(A) the notice and comment provisions of section 553 of title 5, United States Code;

“(B) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

“(C) chapter 35 of title 44, United States Code (commonly known as the ‘Paperwork Reduction Act’).

“(3) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this subsection, the Secretary shall use the authority provided under section 808 of title 5, United States Code.”

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 47 section 1109.

**CHAPTER 31A—TELEMEDICINE AND DISTANCE LEARNING SERVICES IN RURAL AREAS**

Sec.	Purpose.
950aaa.	Definitions.
950aaa-1.	

- Sec.  
950aaa-2. Telemedicine and distance learning services in rural areas.
- (a) Services to rural areas.
  - (b) Financial assistance.
  - (c) Recipients.
  - (d) Priority.
  - (e) Maximum amount of assistance to individual recipients.
  - (f) Use of funds.
  - (g) Salaries and expenses.
  - (h) Expediting coordinated telephone loans.
  - (i) Notification of local exchange carrier.
- 950aaa-3. Administration.
- (a) Nonduplication.
  - (b) Loan maturity.
  - (c) Loan security and feasibility.
  - (d) Encouraging consortia.
  - (e) Coordination with other agencies.
  - (f) Informational efforts.
- 950aaa-4. Regulations.
- 950aaa-5. Authorization of appropriations.

## TERMINATION OF CHAPTER

*For termination of chapter by section 1(b) of Pub. L. 102-551, see note set out under section 950aaa of this title.*

**§ 950aaa. Purpose**

The purpose of this chapter is to encourage and improve telemedicine services and distance learning services in rural areas through the use of telecommunications, computer networks, and related advanced technologies by students, teachers, medical professionals, and rural residents.

(Pub. L. 101-624, title XXIII, § 2331, as added Pub. L. 104-127, title VII, § 704, Apr. 4, 1996, 110 Stat. 1108.)

## PRIOR PROVISIONS

A prior section 950aaa, Pub. L. 101-624, title XXIII, § 2331, Nov. 28, 1990, 104 Stat. 4017, provided purposes of chapter, prior to the general amendment of this chapter by Pub. L. 104-127.

## TERMINATION OF SECTION

*For termination of section by section 1(b) of Pub. L. 102-551, see Termination of Chapter note set out below.*

## TERMINATION OF CHAPTER

Pub. L. 102-551, § 1(b), Oct. 28, 1992, 106 Stat. 4100, as amended by Pub. L. 107-171, title VI, § 6203(b), May 13, 2002, 116 Stat. 421, provided that: “Notwithstanding any other provision of law, chapter 1 of subtitle D of title XXIII of the Food, Agriculture, Conservation and Trade Act of 1990 (7 U.S.C. 950aaa et seq.), including the amendments made by this section [enacting section 950aaa-5 of this title and amending section 950aaa-4 of this title], shall be effective until September 30, 2007.”

**§ 950aaa-1. Definitions**

In this chapter:

**(1) Construct**

The term “construct” means to construct, acquire, install, improve, or extend a facility or system.

**(2) Cost of money loan**

The term “cost of money loan” means a loan made under this chapter bearing interest at a

rate equal to the then current cost to the Federal Government of loans of similar maturity.

**(3) Secretary**

The term “Secretary” means the Secretary of Agriculture.

(Pub. L. 101-624, title XXIII, § 2332, as added Pub. L. 104-127, title VII, § 704, Apr. 4, 1996, 110 Stat. 1108.)

## TERMINATION OF SECTION

*For termination of section by section 1(b) of Pub. L. 102-551, see Termination of Chapter note set out under section 950aaa of this title.*

## PRIOR PROVISIONS

A prior section 950aaa-1, Pub. L. 101-624, title XXIII, § 2332, Nov. 28, 1990, 104 Stat. 4017; Pub. L. 102-237, title VII, § 702(g), Dec. 13, 1991, 105 Stat. 1880, provided goal of Federal Government to make affordable advanced telecommunications available to rural residents, prior to the general amendment of this chapter by Pub. L. 104-127.

**§ 950aaa-2. Telemedicine and distance learning services in rural areas****(a) Services to rural areas**

The Secretary may provide financial assistance for the purpose of financing the construction of facilities and systems to provide telemedicine services and distance learning services in rural areas.

**(b) Financial assistance****(1) In general**

Financial assistance shall consist of grants or cost of money loans, or both.

**(2) Form**

The Secretary shall determine the portion of the financial assistance provided to a recipient that consists of grants and the portion that consists of cost of money loans so as to result in the maximum feasible repayment to the Federal Government of the financial assistance, based on the ability to repay of the recipient and full utilization of funds made available to carry out this chapter.

**(c) Recipients****(1) In general**

The Secretary may provide financial assistance under this chapter to—

(A) entities using telemedicine services or distance learning services; and

(B) entities providing or proposing to provide telemedicine service or distance learning service to other persons at rates calculated to ensure that the benefit of the financial assistance is passed through to the other persons.

**(2) Electric or telecommunications borrowers****(A) Loans to borrowers**

Subject to subparagraph (B), the Secretary may provide a cost of money loan under this chapter to a borrower of an electric or telecommunications loan under the Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.). A borrower receiving a cost of money loan under this paragraph shall—